



Reprinted  
January 31, 2014

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## SENATE BILL No. 221

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DIGEST OF SB 221 (Updated January 30, 2014 2:45 pm - DI 55)

**Citations Affected:** IC 24-7.

**Synopsis:** Rental purchase agreements. Provides that a lessor that leases property under rental purchase agreements may, subject to certain conditions, offer for sale to members of the general public at the location where the lessor enters into rental purchase agreements: (1) property and services that were or may be the subject of a rental purchase agreement; and (2) property or services that are unrelated or only partially or indirectly related to the lessor's rental purchase agreement business.

**Effective:** July 1, 2014.

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### Holdman, Walker

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January 9, 2014, read first time and referred to Committee on Financial Institutions.  
January 21, 2014, reported favorably — Do Pass.  
January 30, 2014, read second time, amended, ordered engrossed.

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SB 221—LS 6373/DI 110





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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## SENATE BILL No. 221

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 24-7-8-6 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2014]: **Sec. 6. (a) Subject to subsection (b), a lessor required to**  
4 **file notification and pay fees under this chapter may conduct other**  
5 **business, including offering for sale to members of the general**  
6 **public:**  
7 (1) **property and services that were or may be the subject of**  
8 **a rental purchase agreement under this article; and**  
9 (2) **property or services that are unrelated or only partially or**  
10 **indirectly related to the lessor's rental purchase agreement**  
11 **business;**  
12 **at the location where the lessor enters into rental purchase**  
13 **agreements with lessees unless the lessor carries on other business**  
14 **for the purpose of evasion or circumvention of this article.**  
15 (b) **A lessor may offer for sale to a lessee or prospective lessees**  
16 **the property or services described in subsection (a) at the location**

SB 221—LS 6373/DI 110



1 where the lessor enters into rental purchase agreements as  
 2 provided under subsection (a) only if all the following conditions  
 3 are met:

4 (1) The lessor:

5 (A) does not require that the lessee or prospective lessee  
 6 purchase the property or services as a condition to  
 7 entering into a rental purchase agreement;

8 (B) does not require that any purchaser or prospective  
 9 purchaser of the property or services enter into a rental  
 10 purchase agreement as a condition to purchasing the  
 11 property or services; and

12 (C) clearly discloses in writing to the lessee or prospective  
 13 lessee before the purchase is completed that:

14 (i) the purchase of the property or services is not a  
 15 condition to entering into a rental purchase agreement;  
 16 and

17 (ii) entering into a rental purchase agreement is not a  
 18 condition to purchasing the property or services.

19 (2) The lessor does not charge the lessee or prospective lessee  
 20 more for the property or services than the lessor charges  
 21 members of the general public for the property or services.

22 (3) The transaction for the purchase of the property or  
 23 services is conducted separately from any rental purchase  
 24 agreement, and the cost for purchasing the property or  
 25 services is not made a part of any rental purchase agreement.

26 (c) If a lessor offers for sale the property or services described  
 27 in subsection (a) to lessees or prospective lessees in compliance  
 28 with the conditions set forth in subsection (b), the business is not  
 29 considered as being conducted for the purpose of evasion or  
 30 circumvention of this article.

31 (d) This section does not relieve a lessor from:

32 (1) obtaining licenses, permits, authorizations, or consents  
 33 required by law;

34 (2) filing or providing notifications as required by law; or

35 (3) otherwise complying with any other statute, rule,  
 36 regulation, or ordinance of:

37 (A) this state;

38 (B) the United States; or

39 (C) any governmental unit of this state or the United  
 40 States;

41 applicable to a lessor or the lessor's business activities  
 42 permitted by this section.



## COMMITTEE REPORT

Madam President: The Senate Committee on Financial Institutions, to which was referred Senate Bill No. 221, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 221 as introduced.)

Committee Vote: Yeas 7, Nays 0

Senator Holdman, Chairperson

## SENATE MOTION

Madam President: I move that Senate Bill 221 be amended to read as follows:

Page 1, line 9, after "unrelated or" insert "**only partially or**".

Page 1, line 14, after "lessees" insert "**the**".

Page 1, line 15, after "services" insert "**described in subsection (a)**".

Page 2, line 2, delete "A" and insert "**The**".

Page 2, line 4, after "purchase" insert "**the**".

Page 2, line 4, delete "enter" and insert "**entering**".

Page 2, line 5, delete "and".

Page 2, between lines 5 and 6, begin a new line double block indented and insert:

**"(B) does not require that any purchaser or prospective purchaser of the property or services enter into a rental purchase agreement as a condition to purchasing the property or services; and"**.

Page 2, line 6, delete "(B)" and insert "**(C)**".

Page 2, line 7, delete "that" and insert "**that:**

**(i)**".

Page 2, line 8, delete "for" and insert "**to**".

Page 2, line 9, delete "agreement." and insert "**agreement; and**

**(ii) entering into a rental purchase agreement is not a condition to purchasing the property or services."**

Page 2, line 18, delete "(a)(1) and (a)(2)" and insert "**(a)**".

Page 2, line 19, delete "(b)(2)," and insert "**(b),**".

Page 2, line 27, delete "of this state or the United States" and insert "**of:**



- (A) this state;**
- (B) the United States; or**
- (C) any governmental unit of this state or the United States;".**

(Reference is to SB 221 as printed January 22, 2014.)

HOLDMAN

